

City of Columbia, Missouri

Columbia Regional Airport

Passenger Facility Charge (PFC) Program
Schedule of Passenger Facility Charge Receipts, Disbursements
and Changes in Cash Balances
September 30, 2020

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RSM US LLP

**Report on Compliance for the Passenger Facility Charge Program,
Report on Internal Control over Compliance and Report on
Schedule of Passenger Facility Charge Receipts, Disbursements
and Changes in Cash Balances as Required by the
*Passenger Facility Charge Audit Guide for Public Agencies***

Independent Auditors' Report

Honorable Mayor and
Members of the City Council
City of Columbia, Missouri

Report on Compliance

We have audited the City of Columbia, Missouri's (the City) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the Guide), that could have a direct and material effect on the City's Passenger Facility Charge (PFC) Program for the year ended September 30, 2020.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its awards applicable to its passenger facility charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's PFC Program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the PFC Program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the passenger facility charge program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Passenger Facility Charge Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its PFC Program for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the PFC Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the program and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of the PFC Program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the PFC Program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the PFC program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Passenger Facility Charge Receipts, Disbursements and Changes in Cash Balances as Required by the Guide

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 4, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of passenger facility charge receipts, disbursements and changes in cash balances is presented for purposes of additional analysis as required by the Guide and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. It provides relevant information that is not provided by the historical accrual basis financial statements, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America or a complete presentation in accordance with the cash basis used for this financial statement presentation. Under the cash basis, certain revenue and the related assets are recognized when cash is received rather than earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of passenger facility charge receipts, disbursements and changes in cash balances (cash basis financial statement) is fairly stated in all material respects in relation to the basic financial statements as a whole.

The cumulative total column as of September 30, 2020, presented in the Schedule of Passenger Facility Charge Receipts, Disbursements and Changes in Cash Balances has not been subjected to the auditing procedures applied in the audit of the Schedule, and accordingly, we do not express an opinion or provide any assurance on it.

RSM US LLP

Kansas City, Missouri
February 4, 2021

**City of Columbia, Missouri
Columbia Regional Airport**

**Schedule of Passenger Facility Charge Receipts, Disbursements and Changes in Cash Balances
Year Ended September 30, 2020**

	Project Authorized Amount as of September 30, 2020	Cumulative Total as of September 30, 2019 (Unaudited)	Quarter Ended				Year Ended September 30, 2020	
			December 31, 2020	March 31, 2020	June 30, 2020	September 30, 2020		
Revenues								
Passenger facility charge revenues received		\$ 3,128,682	\$ 159,030	\$ 135,278	\$ 74,752	\$ 27,671	\$ 3,525,413	
Interest received		8,966	-	-	-	-	8,966	
Total passenger facility charge receipts		3,137,648	159,030	135,278	74,752	27,671	3,534,379	
PFC Project Number	Project Description							
PFC 1.1	Acquisition of rapid intervention vehicle	\$ 17,879	17,879	-	-	-	17,879	
PFC 1.2	Phases I and II resurfacing of general aviation apron, purchase of snow blower, aircraft ramp and airport access road lighting	55,007	55,007	-	-	-	55,007	
PFC 1.3	Runway 13/31 asphalt overlay, fence replacement and gate 5 relocation	61,648	61,648	-	-	-	61,648	
PFC 1.4	Overlay airport access road and terminal loop, construct snow removal equipment building addition, and construct taxiway C and apron underdrain	26,414	26,414	-	-	-	26,414	
PFC 1.5	Fence replacement, computer access gates, and standby electrical power	40,999	40,999	-	-	-	40,999	
PFC 1.6	Phase I air carrier apron extension and consultant services	68,640	68,640	-	-	-	68,640	
PFC 1.7	Phase II air carrier apron south extension and front end loader	69,881	69,881	-	-	-	69,881	
PFC 1.8	Phase I of commercial apron expansion and modify gate No. 9	47,796	47,796	-	-	-	47,796	
PFC 1.9	Rehabilitate north cargo apron	107,742	107,742	-	-	-	107,742	
PFC 1.10	Master plan update	19,986	19,986	-	-	-	19,986	
PFC 1.11	Repair runway 2/20 pavement, remark airfield, upgrade runway 2/20 north safety area, and replace underground lighting control cables	173,559	173,559	-	-	-	173,559	
PFC 1.12	Phase II of commercial apron expansion	76,425	76,425	-	-	-	76,425	
PFC 1.13	Reimbursement for land acquisition	35,568	35,568	-	-	-	35,568	
PFC 1.16	Replacement of snow plow/spreader truck	7,759	7,759	-	-	-	7,759	
12-03-C-00-COU-001	Airport master plan update	26,328	26,328	-	-	-	26,328	
12-03-C-00-COU-002	Wildlife management assessment of haz.	2,396	2,396	-	-	-	2,396	
12-03-C-00-COU-003	Environmental assessment	35,333	35,333	-	-	-	35,333	
12-03-C-00-COU-004	Terminal restroom renovation	138,499	138,499	-	-	-	138,499	
12-03-C-00-COU-006	Taxiway A reconstruction	402,373	402,373	-	-	-	402,373	
12-03-C-00-COU-008	Snow removal equipment	11,725	-	-	-	-	-	
12-03-C-00-COU-010	Update airport exhibit A property map	3,000	3,000	-	-	-	3,000	
12-03-C-00-COU-016	ARFF truck	35,000	35,000	-	-	-	35,000	
12-03-C-00-COU-017	PFC audit fees (2004-2011)	44,101	44,101	-	-	-	44,101	
16-04-C-00-COU-001	Wildfire deterrent fence	166,297	166,297	-	-	-	166,297	
16-04-C-00-COU-002	Airport land acquisition	40,811	40,811	-	-	-	40,811	
16-04-C-00-COU-003	Rehabilitate Runway 13/31 & taxiway B - Phase 1	788,720	753,360	-	-	-	753,360	
16-04-C-00-COU-004	Extend runway 13/31 & taxiway B	743,871	-	-	-	-	-	
16-04-C-00-COU-005	Re-align rangeline road	187,991	187,991	-	-	-	187,991	
16-04-C-00-COU-006	Construction of terminal restrooms	53,522	10,371	-	-	-	10,371	
16-04-C-00-COU-007	Terminal area master plan	86,644	86,644	-	-	-	86,644	
16-04-C-00-COU-009	PFC application preparation fees	20,000	20,000	-	-	-	20,000	
19-05-C-00-COU-001	Extend Runway 2/20 Tech Ops Reimbursable Agreement	10,000	10,000	-	-	-	10,000	
19-05-00-C-00-COU-002	Rehabilitate Runway 2/20 - Isolated Repairs Design	20,409	20,409	-	-	-	20,409	
19-05-00-C-00-COU-003	Rehabilitate Runway 2/20 - Isolated Repairs Construction	223,509	76,471	147,038	-	-	223,509	
19-05-00-C-00-COU-004	Extend Runway 2/20 & Taxiway A Design	63,426	63,426	-	-	-	63,426	
19-05-00-C-00-COU-005	Extend Runway 2/20 & Taxiway A Construction	1,075,585	-	-	135,278	-	135,278	
19-05-00-C-00-COU-006	Route H Relocation and Construction	171,508	171,508	-	-	-	171,508	
19-05-00-C-00-COU-007	Reconstruct Taxiway A	224,328	-	11,992	-	74,752	27,671	
19-05-00-F-00-COU-008	PFC audit fees	12,000	12,000	-	-	-	12,000	
19-05-00-F-00-COU-009	PFC 2018 update fees	22,027	22,027	-	-	-	22,027	
20-06-00-C-00-COU-001	Construct New Terminal Building - Phase 1	5,000,000	-	-	-	-	-	
	Total passenger facility charge disbursements	\$ 10,418,706	3,137,648	159,030	135,278	74,752	27,671	3,534,379
	Net increase (decrease) in cash							
	Cash balance, beginning of period							
	Cash balance, end of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**City of Columbia, Missouri
Columbia Regional Airport**

Notes to Schedule of Passenger Facility Charge Receipts, Disbursements and Changes in Cash Balances

Note 1. Description of the Program

Sections 9110 and 9111 of the Aviation Safety and Capacity Expansion Act of 1990, enacted on November 5, 1990, authorized the secretary of Transportation, further delegated to the Federal Aviation Administration (FAA) administrator, to approve the local imposition of an airport passenger facility charge (PFC) of \$1, \$2, or \$3 per enplaned passenger for use on certain airport projects. On May 29, 1991, the FAA issued Part 158 of the Federal Aviation Regulations outlining policies and procedures for the PFC Program. Under Part 158, public agencies controlling commercial service airports can apply to the FAA for authority to impose a PFC for use on eligible projects. On May 30, 2000, the FAA issued a revision to Part 158 that increased the maximum PFC level to \$4 or \$4.50. The change also incorporated additional criteria for the approval of higher PFC levels. The Columbia Regional Airport (the Airport) was authorized by the FAA in November 2002 to impose and use a \$4.50 passenger charge which was to expire October 1, 2012. The total collections for this authorization were completed in fiscal year 2012. In February 2012, the Airport received authorization by the FAA to continue to impose and use a \$4.50 passenger charge that expired on February 29, 2016. In April 2016, the Airport received a new authorization by the FAA to continue to impose and use a \$4.50 passenger charge that will expire March 1, 2022.

Note 2. Basis of Accounting and Relationship to Quarterly Reports

The accompanying Schedule is prepared on the cash basis of accounting, wherein revenues are recorded when received and PFC funds expended are recorded upon designation as PFC eligible expenditures. Amounts reported in the accompanying Schedule agree with the amounts reported in the quarterly report of funds collected and expended.

Note 3. PFC Project Numbers

The accompanying Schedule presents only those projects approved by the FAA. Any sequential PFC project number that is not presented on the Schedule represents a proposed PFC project that was not approved by the FAA or has subsequently been removed via an amendment.